

## The Influence of Innovations in Strategic Management on the Management Team's Role in Flemish Municipalities

*EGPA-conference*

*Speyer, 10 - 12 September 2014*

Drs. Pieter Bleyen,

Drs. Sofie Hennau,

Prof. Dr. Johan Ackaert,

Prof. Dr. Geert Bouckaert

---

### ABSTRACT

This paper assesses the influence of a new regulatory framework (approved in 2010) concerning strategic management in the Flemish municipalities. Particularly, the paper's focus is on the impact of the introduction of the policy and management cycle on the management team's (MT) role in the formulation, execution and evaluation of local policy. The empirical analysis is mainly based on two surveys performed in 2008 and 2013 among municipal secretaries. Statistical regression analysis suggests the varying implementation and use of this new regulatory framework has an important influence on the role MT's play in the policy cycle. MT's play a more important role in the municipal policy cycle when more policy goals are formulated. Also the involvement of the MT's members in preparing the strategic multi-annual budgets is of importance. In sum, the added variables concerning strategic management in 2013 affords a model with far greater explanatory power. Furthermore, the MT's role depends on the prevailing organizational culture: in municipalities where heads of department and the mayor and college of aldermen cooperate on equal basis and where the note of agreement between MT and college is considered more important, MT's have more influence. By contrast, the municipal context variables have a far less explanatory power.

### INTRODUCTION

*"Throughout Europe a wind of political and institutional change seems to be blowing through municipalities".*

Steyvers et al (2005:11)

Since the 1980s, many European local governments have seen fundamental changes in their institutional setting through territorial and organizational reforms (i.a. Caulfield & Larsen, 2002; Vetter & Kersting, 2003; Kuhlmann & Wollmann, 2011). Literature distinguishes between political and administrative reforms. Especially the latter are often considered under the umbrella of New Public Management (NPM) (Caulfield & Larsen, 2002). In order to improve the efficient and effective functioning of public authorities, most NPM-reforms apply private sector styles, insights and techniques (Hood, 1995; Liegl, 2001). Also the Flemish Municipal Decree for Flemish Local

municipalities of which most articles came into force in 2007 is to some extent inspired by New Public Management ideas: secretaries and treasurers formally became local top managers, a note of agreement was introduced to enhance political administrative relations, systems of internal control were implemented, together with renewed legal status regulations. These are just a few examples of NPM-inspired reforms set out by the decree (De Rynck & Wayenberg, 2013). In this paper the interference between two major management reforms is explored: (1) the introduction of local MT's and (2) the modernization of the municipal policy and management cycle (PMC). More specifically, this paper examines and declares the MT's role in the local policy cycle.

Evidence for the interference of these two management innovations can be found both in regulation and in literature. The Municipal Decree explicitly confirms the essential role that the administration and the MT should play in the management cycle in the preparation, execution and evaluation of policy: *"the MT supports the coordination of municipal services and under the instructions of secretary, the body determines the content of policy in the multi-annual budgets"*.<sup>1</sup> Since the new regulatory framework of 2010 on strategic management and the policy and management cycle (PMC-Order) radically changes the lay-out and content of these (multi-) annual plans and budgets by integrating policy and financial planning, it can be assumed that the MT's role in this planning process is becoming increasingly significant. Weets (2012) subscribes this presumption and states that MT's probably will serve as hubs in the modernized and integrated planning and budgeting activities. A recent survey of Bleyen and Bouckaert (2014) within municipalities and public centers of social welfare reveals a relatively high level of involvement of MT members in the preparation of the (multi-) annual plans and budgets in accordance with the new rules. Moyersons et al (2012) add that the MT's role goes beyond the straightforward preparation of plans and budgets. These authors also ascribe a major role to the MT's in the more general project planning that comes along with the implementation of the regulatory framework of 2010.

In the following paragraphs, we cover the underlying theoretical approach of this paper as well as some insights in the background of the reforms. Subsequently we discuss how the MT's role in the policy cycle and each of the explanatory variables will be set up and operationalized. After having explained data collection, the results of our regression model are presented and main conclusions are drawn.

## REFORMS FROM A NEW INSTITUTIONALISTS PERSPECTIVE

Reforms and innovations such as those initiated by the Municipal Decree need to be evaluated. It is important to examine whether actual changes in organizational functioning fit the intended goals. New institutionalism approaches are appropriate frameworks to address such institutional evaluations, because they consider institutions more broadly than traditional institutionalists do (Kuhlmann & Wollmann, 2011). According to this new institutionalism, the legalistic, normative and structural features of a formal innovation are not decisive for organizational change. In this approach, more importance is attached to the role of organizational standards, values and routines (i.a. Selznick, 1996; Hall & Taylor, 1996; March & Olson, 1984). To put it differently, new institutionalism assumes that *"the organization of political life makes a difference"* (March & Olson, 1984:747). Similarly, some authors contend that organizations are embedded in a social and political

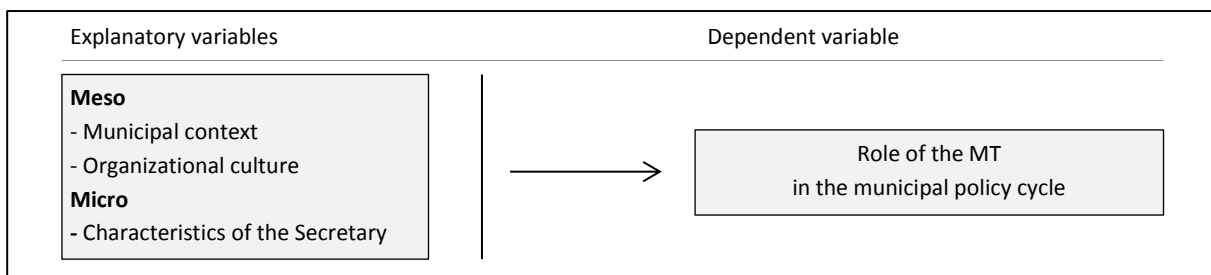
---

<sup>1</sup> Art. 98, Municipal Decree.

environment in which actual practices result from underlying prevailing rules, conventions and beliefs, such as conflicting values and power relations, informal structures and embedded routines (Meyer, John & Rowan, 1977; Powell & DiMaggio, 1991). Rather than focusing on the extent to which change of regulations paves the way to convergence between organizations, new institutionalism acknowledges mechanisms that lead to organizational heterogeneity (Lounsbury, 2008). In this paper institutional change is defined as a *“contingent and context dependent process, rather than something that can be imposed from the outside through formal mechanisms alone”* (Leach & Lowndes, 2007:199). As such, to explain the MT’s role in the municipal policy cycle, the focus needs to be shifted from formal legal regulations to *“the informal conventions of political life”* (Lowndes, 2010:71).

To operationalize these theoretical assumptions and to explain the MT’s role, this paper distinguishes between mediating meso and micro variables. Following Hall and Taylor (1996), Lowndes and Roberts (2013) and Gorges (2001), the examined explanatory variables are based on three approaches: historical, sociological and rational choice institutionalism (cf. infra). Meso variables include organizational routines and standards and other contextual factors as political stability in and the financial and socio-economic profile of municipalities. Micro variables conversely refer to characteristics of the individuals within an organization – i.c. the municipal secretaries – and choices made by those individuals *“in being aware of, accepting and acting to the content of the reform”* (Steyvers, Reynaert & Block, 2010:13). Figure 1 summarizes the applied research design.

**Figure 1. Applied explorative research design**



Although new institutionalists emphasize the importance of informal conventions, they do not neglect the formal architecture to which institutions are bound. After all, this formal framework shapes municipal activities and stipulates the limits within which these activities take place (Lowndes & Roberts, 2013). As a consequence we provide a brief overview of the legislative framework that underpins the implementation of the municipal MT’s and the modernization of the policy and management cycle.

## INTRODUCTION OF THE MANAGEMENT TEAM

In 2007, the Municipal Decree obliged local governments to install a management team. An MT can be defined *“as a group of managers at the same organizational level who are a part of the organizations formal management structure”* (McIntyre, 1998). However, this description is only partly applicable to Flemish local governments since only the secretary, the treasurer, the deputy secretary (if applicable) and the mayor (or a designated alderman) with an advisory vote are obliged

to take part of the MT. The municipal council is entitled to appoint additional members and/or to remove them from office.<sup>2</sup>

The introduction of the MT implies that the internal organization of the municipal administrations changes significantly. Particularly, the MT facilitates collaboration between the municipal secretary and treasurer. Besides, the Municipal Decree clarifies the division of tasks between both administrators and explicitly appoints the secretary head of the municipality's administration at the expense of the treasurer. The Explanatory Memorandum of the Municipal Decree states that *"the inner conflict between secretary and treasurer has been largely substituted for a model in which collaboration is facilitated and where both secretary and treasurer are charged with important tasks"*.<sup>3</sup>

The MT is involved in decision making procedures concerning the organizational structure, the legal position of civil servants and workforce issues. The MT supports and coordinates the municipal departments in carrying out the policy formulation, execution and evaluation and is involved in the preparation of the preliminary draft of the strategic (multi-) annual plans and budgets.<sup>4</sup> In addition, the MT has to maintain the uniformity and quality of the municipal services and is responsible to streamline internal communication.<sup>5</sup> More specifically, the secretary is obliged to determine a system of internal control in consultation with the MT.<sup>6</sup> Furthermore, cooperation between the MT and the college of aldermen has been formalized by means of a note of agreement which is drawn up after the renewal of the municipal council.<sup>7</sup>

This paper considers the introduction of MT's in the Flemish local governments as an externalization of two of Hood's (1991) NPM-doctrines in the context of the Flemish municipalities: the reform leads to an increase of the sense of responsibility of the top management and to a shift towards private sector management techniques. Nevertheless this reform cannot be considered as a completely new one: research in this respect shows that a form of MT already existed in 56 percent of all 308 municipalities before the formal obligation in 2007. Nevertheless, the impact of the body remained limited due to a lack of leadership. Another operating point was the lack of embeddedness of the MT in the municipal administration (Olislagers et al, 2009). Vallet and De Rynck (2006) refer to the novelty of a local MT as a possible explanation for this trend. This assumption is strengthened by the finding that MT's were evaluated more positive in municipalities that already introduced a form of MT before the legal obligation of the Municipal Decree in 2007. By the summer of 2008, 97% of all municipalities installed an MT (Olislagers et al, 2009). Despite the limited impact of the MT at the time, secretaries were generally favorable to the innovation in the first months after the implementation (Steyvers et al, 2010).

## MODERNIZATION OF THE POLICY AND MANAGEMENT CYCLE

As citizens increasingly expect governments to formulate clear policy goals and to take responsibility for the realization of these goals, strategic management has been introduced in the public sector to meet these demands (Conings, 2011). Strategic management is more than writing policy plans, it is

<sup>2</sup> Art. 96, Municipal Decree.

<sup>3</sup> Flemish Government, Explanatory Memorandum added to the Municipal Decree, *Flemish Parliament* 2004-2005, n. 347/1.

<sup>4</sup> Art. 87, 93, 96 & 98, Municipal Decree.

<sup>5</sup> Art. 96 & 98, Municipal Decree.

<sup>6</sup> Art. 100, Municipal Decree.

<sup>7</sup> Art. 87, Municipal Decree.

also about organizations that steer budgets, human resources, performance measurement, etc., based on a long-term accepted strategic agenda that is implemented in a purposeful way (Poister & Streib, 1999). As the budget ideally facilitates this policy role in all phases of the budget cycle, it should be regarded as one of the most important policy documents (Diamond, 2013). The PMC-Order which was approved in 2010 encourages this long term policy planning and strategic management in the Flemish local governments. To this end, adjusted policy planning, execution and evaluation procedures were introduced to integrate performance information in the financial cycle. Long term policy planning for the duration of the legislative period became one of the basic principles together with the linkage of policy intentions to the available financial leeway. Strategic long term planning replaced the annual budget as the starting point for the municipal policy and management cycle<sup>8</sup>: *“the mere enumeration of estimated revenues and expenditure needs to be replaced for overall strategic multi-annual planning in which the focus is moved from allocated resources to municipal policy goals”*.<sup>9</sup>

Although these substantive rules were already included in the Municipal Decree (2007), they were only systematically mandatory introduced in all 308 municipalities after the implementation of the PMC-Order, particularly between 2011 and 2014.<sup>10</sup> In the meantime (2007-2010), some municipalities already started with the implementation of some elements of the reform, either by drawing up a sort of interim long term ‘general policy program’ and annual policy note<sup>11</sup>, or in a later stage by starting up a PMC pilot project.<sup>12</sup> The annual policy notes of the former municipalities need to be seen as plans in which old budget classifications were combined with policy content structured according to the guidelines of the Municipal Decree. In practice, 28 percent of the surveyed treasurers did not appear to have an annual policy note in which policy objectives have been formulated in 2008 (Weets, 2012). More recent findings show that 63,2 percent of the municipalities (pilot projects excluded) did not manage to formulate any policy goals in their 2013 policy report underlying the budget (Bleyen & Bouckaert, 2014).

From 2014 onwards, municipalities must prepare long term policy by establishing a strategic note within their multi-annual budgets. The policy intentions included in these budgets further need to be made concrete in an annual policy report within the budget.<sup>13</sup> In practice, the PMC-Order stipulates that policy goals and underlying action plans and actions need to be formulated in the strategic note (long term) and the policy note (short term).<sup>14</sup> Each policy objective ideally should demonstrate (1) the targets that must be accomplished, (2) the undertakings in order to accomplish these targets and (3) the budgetary implications of these targets.<sup>15</sup> Further, a twofold division is made between priority policy objectives and other policy objectives. Only priority objectives need to be submitted explicitly to the municipal council, the other objectives are subject to internal monitoring, for example within the MT. Technically, resources are allocated at the level of the municipal actions. Nevertheless, the

<sup>8</sup> Flemish Government, Explanatory Memorandum added to the Municipal Decree, *Flemish Parliament* 2004-2005, n. 347/1.

<sup>9</sup> Circular BB 2013/4. Strategic multi annual planning (multi annual plan 2014-2019) and budgeting (budget 2014) according to the policy and management cycle, 30 April 2013, 25834.

<sup>10</sup> Circular ABB 2006/19 of 1 December 2006 on the Order of the Flemish Government of 24 November 2006 on the introduction of some provisions of the Municipal Decree of 15 July 2005 and on the implementation of art. 160 and 179 of the Municipal Decree of 15 July 2005, 10 January 2007, 901-918.

<sup>11</sup> Circular BB 2007/07. Instructions on the preparation of budgets and multi annual plans of 2008 in municipalities and PCSW's, 28 August 2007, 44690; Art. 242bis, New Municipal Code.

<sup>12</sup> 12 municipalities started to implement the PMC Order in 2011, 22 municipalities in 2013 and 85 in 2013.

<sup>13</sup> Art. 146-157, Municipal Decree; art. 11 and 16, PMC Order.

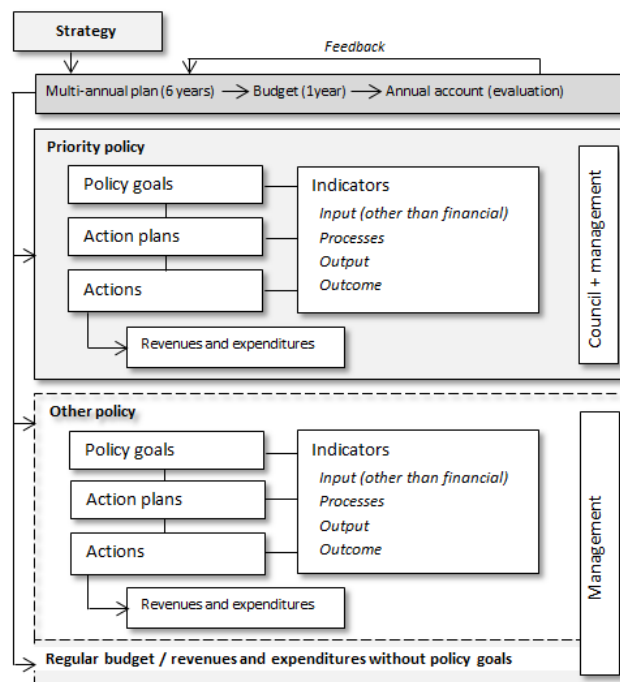
<sup>14</sup> Art. 6, PMC Order

<sup>15</sup> Report to the Flemish Government added by the PMC Order, 10/0705/0382.

report added to the PMC-Order clearly states that it is not desirable to translate all activities, revenues and expenditures into policy objectives.<sup>16</sup> Regarding policy execution, accounting rules are renewed and the PMC-Order obliges the submission of quarterly financial reports to the Flemish government. Ideally, municipalities also implement procedures of internal interim financial and policy reporting.

In the annual account, local governments must at least report to what extent priority policy objectives have been achieved. With respect to performance information in the (multi-) annual budgets, the PMC-Order also pays attention to performance measurement through performance measures: *“wherever possible and useful results and effects must be made measurable in order to formulate policy goals correctly (planning phase), to introduce transparency with regard to the intended results during policy execution (implementation phase) and to evaluate the extent to which policy goals actually are achieved” (evaluation phase).*<sup>17</sup> Figure 2 offers a visualization of the renewed policy and management cycle in the Flemish local governments.

**Figure 2. The policy and management cycle in the Flemish municipalities**



This second reform fits in with the internationally recognized trend of result-oriented financial management, trying to change the culture of budgeting radically from an input towards an output oriented control. The ‘traditional’ budget seems to be evolving into a budget with strategic policy objectives to which resources are linked (Curristine, 2005). More precisely the scope and purpose of the financial cycle is expanded due to the new planning, operational and performance procedures (Pollitt & Bouckaert, 2011). This trend is inspired by three other NPM-doctrines of Hood (1991): the clear-cut measurement of targets and performance, highlighting output-oriented control and highlighting the effective, efficient and economical management of public goods. Olson et al (1998) label these reforms as New Public Financial Management.

<sup>16</sup> Report to the Flemish Government added by the PMC Order, 10/0705/0382; Art. 13, PMC Order.

<sup>17</sup> Art. 13 & 18; PMC Order; Report to the Flemish Government added by the PMC Order, 10/0705/0382.



## MESO EN MICRO VARIABLES

Mindful of the outlined theoretical framework, this paper expects meso and micro variables to have an impact on the local MT's actual strength and role. The attention for the meso level is rooted in historical institutionalism, which considers institutional development to be path dependent. Once policymakers have made policy decisions, future choices will be influenced by these earlier decisions. Change would prove difficult because of considerably high costs (Sanders, 2008). Sociological institutionalism also pays attention to the meso level, since this approach stresses the importance of culture, values and norms for institutional structures (Lowndes & Roberts, 2007; Hall & Taylor, 1996). Further, human activity would be determined by the context in which it is embedded (Goodin, 1996). Following Premfors (2004:16) *"an agency is more context-driven than goal-driven and particularly influenced by cultural logics"*. As such this paper analyzes a number of variables concerning the municipal context and organizational culture.

The applied micro variables are based on rational choice institutionalism. According to this approach all local actors perform their duties with regard to self-interest: all strategic and purposive actions and activities are based on utility maximization (Lowndes & Roberts, 2007; Hall & Taylor, 1996). The recognition of explanatory micro variables is also rooted in sociological institutionalism. As Pierson (2000: 478) wrote: *"in structuring institutional arrangements, actors may be motivated more by conceptions of what is appropriate than by conceptions of what would be effective"*. Because the secretary is in charge of the general management of the municipality, some of his individual characteristics are added to the analysis in order to understand the explanatory power of these micro variables.<sup>18</sup> Based on findings in the literature and a similar study of Hennau et al (2013), the next sections discuss each of the variables and puts hypotheses forth.

### 1. The Municipal context

Based on a survey performed in 2008, Hennau et al (2013) conclude that the MT's role correlates with **political discontinuity (MC1)**: the MT's influence was assessed to be more important in these municipalities where the 2006 elections led to an alternative majority. This finding has also been confirmed in another study: local innovations are more likely to be implemented in municipalities which have been subject to recent major political shifts (Steen & Wille, 2005). According to Weets (2012), the college of mayor and aldermen is more admissible for change when the majority of the college members lack political experience.

Besides, the MT's role was influenced in 2008 by the municipal **financial prospects (MC2)**. In general, the MT's role is more important in local governments with a financing surplus (Hennau et al, 2013). This conclusion is not supported by Weets (2012) and Vallet and De Rynck (2006), authors who state that Flemish municipalities with a financing surplus spend more money on managerial reforms. Despite this, we have chosen to put forth a hypothesis in line with the research results of Hennau et al (2013), because their approach gets closer to our research setting. However some adaptations are made to the operationalization of the variable (cf. infra).

The **municipal population (MC3)** and the **composition of the majority (MC4)** are two other contextual factors that are taken into account. However not correlated to the MT's role in 2008 (Hennau et al, 2013), these variables are tested again because other findings in the literature suggest such a correlation. According to Steen and Wille (2005) more populated municipalities tend to see

---

<sup>18</sup> Art. 86, Municipal Decree.

the challenges and benefits of local reforms more clearly. Plees and Laurent (1998) conclude that municipal scale (measured by population) and perceptions about inefficiency are correlated negatively. Moreover, scale has affected the implementation of the Municipal Decree (De Rynck et al, 2009). Finally, research in the Belgian municipalities shows that mayors of smaller municipalities are more involved with the municipal administration (Ackaert, 2006), which possibly also is related to the strength of municipalities. With regard to this, Weets (2012) suggests that an absolute majority is beneficial to the introduction of managerial reforms because of the higher confidence between the members of the college of mayor and aldermen.

**Table 1. The municipal context - hypotheses**

The MT plays a more significant role when ...

MC1: ... *the most recent elections have led to an alternative majority;*

MC2: ... *a municipality has good financial prospects;*

MC3: ... *a municipality is more populated;*

MC4: ... *one political party governs with an absolute majority of votes.*

## 2. The municipal organizational culture

No doubt the introduction of the MT has led to changes in the municipalities' organization chart (Demuzere & Molenveld, 2012; Jones & Stewart, 2012). As these reforms of the organizational structure tend to go together with changes in the organizational culture, Leach and Lowndes (2007:184) state that: "*changes in formal arrangements are being interpreted on the ground through an institutional filter of beliefs, assumptions and practices that typically emphasize traditional values and ways of working*". Following Deal and Kennedy (1982), organizational culture can be defined as: "*the way we do things around here, which is a matter of unwritten rules and implicit agreements; a stable but hidden system, a collection of values, symbols, heroes, rituals and stories that operate beneath the surface executing powerful influence in the behavior of the workplace*". Reasoning by means of analogies, Shields and Young (1989) describe organizational culture as a mode of thought of the employees in which shared beliefs, values and objectives are embedded.

Even though informal rules often are conservative in nature in periods of transition (Leach & Lowndes, 2007), the Municipal Decree attempts to influence the organizational culture in at least two ways. First, the decree aims to alter the political-administrative set-up. Second, instruments and processes are provided in order to shift from an input- towards a more output-oriented model of steering and control. These aspects can be translated to and operationalized into a set of explanatory variables all referring to the municipal organizational culture.

### A. Politico-administrative culture

With regard to the policy cycle, the administration and the MT are responsible in close cooperation with the political mandatories. More specifically, the Municipal Decree has the ambition to replace a strongly divided 'aldermen model' by a '**management team model**' (OC1). While the college of mayor and aldermen dominates local decision making in the former model, the treasurer and heads of department are at the top of strategic decision making in the management team model. The MT is mend to collectively deliberate with the college of mayor and aldermen which still functions as the key decision maker. However, the college's decisions are based on administrative preparatory policymaking preliminaries. Subsequently the MT is responsible for the execution of the decided



policy. This shift in responsibilities should end practices of aldermen's direct steering of the departments (Vallet & De Rynck, 2007; Plees & De Leemans, 1997). Previous qualitative and quantitative research indicates that MT's are stronger in municipalities where more characteristics of the management team model can be found. Also, the MT is judged more positively in these municipalities (i.a. Vallet & De Rynck, 2007; Hennau et al, 2013; Steyvers et al, 2010).

The so called **note of agreement (OC2)** (cf. supra) is a second instrument meant to redefine political administrative relations. In order to improve the politico-administrative cooperation, this note formalizes politico-administrative cooperation and enables all those concerned to execute their delegated competences. By compiling agreements on policy choices and the steering of the policy cycle in a formal document, both can be coordinated effectively.<sup>19</sup> Previous research in this regard highlights a positive correlation between the importance attached by secretaries to the note of agreement and the ascribed role of the MT (Hennau et al, 2013; Steyvers et al, 2010).

### B. Result-oriented culture

Due to the introduction of budget holders and the modernization of the PMC, result-oriented (financial) management is high on the agenda in Flemish municipalities (Cf. supra). The possibility to delegate budgets to the municipal secretary and/or other staff members increases these actors' involvement in the policy cycle. Furthermore, Hennau et al (2013) conclude that the MT's influence is estimated lower by secretaries defending a far-reaching delegation of budgets. As discussed in this paper, the introduction of result-oriented budgeting and strategic management has an influence on the MT's role. For example, the Municipal Decree prescribes that the preliminary design of the strategic and financial note of the multi-annual budget is drawn up in consultation with the MT in order to guarantee the involvement of the municipalities' different sections in the policy and budget preparation and execution (Beirens, 2011).<sup>20</sup> Following Weets (2012) – who advanced the thesis that the MT could play an important role in the introduction of result-oriented reforms – we expect the MT's role to be bigger in those municipalities where:

- **delegation of budgets is institutionalized (OC3);**
- **the content of the (multi-) annual budgets is evaluated positively (OC4);**
- policy and management procedures are considered to be more **result-oriented (OC5)**. This assumption is in line with Lencioni's (2005) findings, who links inadequate attention for results to the MT's malfunctioning in private and public organizations.

Since the PMC-Order only came into force in January 2014, PMC related variables will only be considered for 2013. As a consequence, the net influence of these variables on the MT's role in the policy cycle are mapped. Furthermore, the MT's role is expected to be considered more important in those municipalities where the **MT (OC6a) and the PMC-reform (OC6b) were introduced** before legal obligation<sup>21</sup> - as some municipalities have done (cf. supra). Although such an early start-up was often accompanied with difficulties and uncertainty (Vallet & De Rynck, 2007), one can assume greater enthusiasm and openness towards these reforms in these municipalities.<sup>22</sup> Ultimately, the **MT's**

<sup>19</sup> Art. 87, Municipal Decree; Flemish Government, Explanatory Memorandum added to the Municipal Decree, *Flemish Parliament* 2004-2005, n. 347/1.

<sup>20</sup> Art. 87 and 93, Municipal Decree.

<sup>21</sup> Olislagers et al. (2009) found a positive correlation between the perceptions about the MT and its years in operation.

<sup>22</sup> Also other possible motives are worth mentioning, like more education and support opportunities, less pressure of time during the implementation process, etc.

**involvement in the realization of the present (strategic) multi-annual budget is included in the model (OC7).** Different preceding studies consider the involvement of top administrators crucial during management reforms (i.a. Rothwell, 1994; Shields, 1995; Berman & Wang, 2000). As with most of the other variables, this organization culture's characteristic is based upon the secretaries' perceptions.

Finally, Weets (2012) found a positive correlation between the perceptions of the instruments in line with NPM-ideas and the extent to which institutional reforms (i.c. the introduction or elements of result-oriented budgeting) were introduced. This conclusion reinforces our expectations concerning the different hypotheses, summarized in Table 2.

**Table 2. Hypotheses concerning the municipalities' organization culture**

The MT's role is considered more important as...
OC1: ... <i>the organization of municipalities is streamlined according to the management team model;</i>
OC2: ... <i>the note of agreement is considered more important;</i>
OC3: ... <i>municipalities are more open towards the delegation of budgets;</i>
OC4: ... <i>the strategic multi-annual plan is evaluated positively;</i>
OC5: ... <i>policy planning is developed and result-oriented;</i>
OC6a: ... <i>the MT was introduced before legal obligation;</i>
OC6b: ... <i>the PMC-reform was introduced before legal obligation;</i>
OC7: ... <i>the MT's involvement in the preparation of the multi-annual plan increases.</i>

### C. Does the secretary make the difference? The influence of micro variables

Preceding research already emphasized the importance of individual characteristics as the actors' profile, their education and experience. The higher educated and less experienced secretaries are, the more positive they evaluated the MT (i.a. Plees & Laurent, 1998; Weets, 2012; Bäck, 2006). Our analysis takes two micro variables into consideration: the municipal **secretaries' experience** in their function (**ICS1**) and their **involvement in the realization of the strategic multi-annual budget (ICS2)**. We assume that strongly involved secretaries facilitate the MT's role.

**Table 3. Hypotheses concerning the secretaries' individual characteristics**

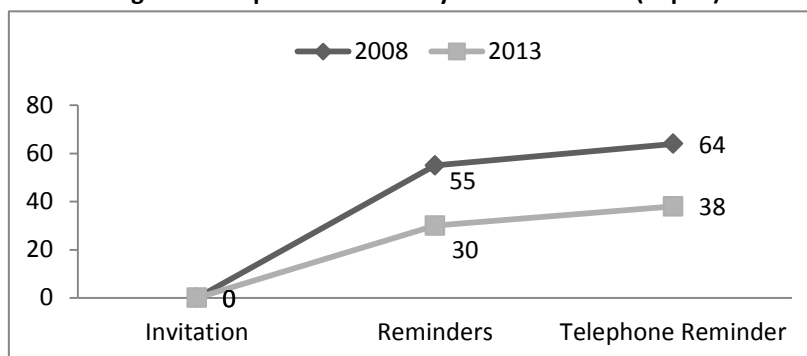
The MT's role is considered more important as municipal secretaries:
ICS1: ... <i>are less experienced;</i>
ICS2: ... <i>are more involved in the realization of the multi-annual budget.</i>

## RESEARCH METHODOLOGY AND OPERATIONALIZATION

In order to investigate the influence of the discussed variables on the perceived strength of the Flemish municipalities' MT's, two regression analyses were executed based on survey data of 2008 (postal) and 2013 (web-based). Both questionnaires were sent to all Flemish municipalities' secretaries in the context of three research projects of the Policy Research Centre on Governmental Organization – Decisive Governance.<sup>23</sup> Figure 2 gives an overview of both surveys' response rates.

<sup>23</sup> The concerned SBOV - research projects are: "Evaluation of the implementation of the local government act on administrative power of local government"; "Implementation of the 'Policy and Management Cycle' in local government" and "Effects of local government act and administrative power".

Figure 2: Response rate surveys 2008 and 2013 (in pct.)



In 2008, 64 percent (N=196) of the municipal secretaries have participated. In order to realize this response rate, respondents received one recall by e-mail and one by phone. In 2013, similar initiatives were undertaken to maximize the response rate. Conferences and forums of different umbrella organizations were used to convince respondents to participate. Furthermore, three recalls were sent by e-mail and during October 2013, all the secretaries were contacted telephonically. Despite these efforts, the response rate remains rather low (38%, N=116). The timing of the survey may be an explanation, as a number of secretaries possibly gave priority to the realization of their organizations first multi-annual budget in line with the stipulations of the PMC-Order.

In order to evaluate the representativeness of both datasets, the extent to which the participating municipalities are a faithful reflection of the 308 Flemish municipalities was investigated. Both datasets are representative by municipality size and province. Furthermore, the data of 2013 is also representative with respect to the year in which the PMC-Order is implemented and to the socio-economic profile (Dessoy, 2007).

Besides the survey data, two other data sources were used: the database “Digital reporting” from the Flemish government was used to gather data on the number of policy objectives added to the multi-annual plans.<sup>24</sup> The database “Local statistics” provided data concerning some municipalities’ characteristics.<sup>25</sup> Based on these sources, we operationalized the dependent variable as well as the aforementioned meso and micro variables. We discuss these characteristics in detail in the following section.

### 1. Dependent variable: the role of the MT in the policy cycle

As discussed, the Municipal Decree foresees in an essential role for the administration in the policy cycle. Although politicians remain responsible to make policy choices and to direct their governments, the municipal secretary and the local departments steer the policy cycle in the preparation, execution and the evaluation of the local policy. The MT supports the coördination of the local administration in the execution of these tasks. In order to investigate to what extent the local MT’s accomplish these tasks, we asked the secretaries in 2008 and 2013 to indicate on a five-point Likert-scale to what extent they agreed with the following propositions:

- *The MT plays an important role in policy preparation;*
- *The MT plays an important role in policy execution;*

<sup>24</sup> Ministerial Order concerning the digital reporting of data about the policy and management cycle of municipalities, provinces and public social welfare centers (BS 19/07/2013).

<sup>25</sup> On the website <http://www.lokaalstatistieken.be> official statistics concerning the Flemish municipalities’ general administration and different policy domains are collected since 2005.

- The MT plays an important role in policy evaluation.

Table 3: Perceived influence management teams (in pct.)

	Preparation		Execution		Evaluation	
	2008	2013	2008	2013	2008	2013
% (Totally) disagree	16,9	17,2	12,7	12,0	28,0	18,1
% Neither agree nor disagree	17,5	9,5	25,4	16,4	26,5	27,6
% (Totally) agree	65,7	<b>73,3</b>	61,9	<b>71,6</b>	45,5	<b>54,3</b>
N	189	116	189	116	189	116
Chi <sup>2</sup>	NS		NS		NS	

Especially during policy preparation, MT's have a certain influence: almost three-fourths of the municipal secretaries believe that MT's play an important role in this phase of the policy cycle. Less than one in five disagree with this proposition. In comparison with 2008, a positive evolution can be identified: at that time two-thirds of the respondents considered the MT's role important during policy preparation. However, this evolution can not be considered significant. Furthermore, more than seven out of ten secretaries ascribe an important role to the MT in the execution of policy (compared with six out of ten in 2008). Approximately 12 percent (totally) disagrees with the proposition. The MT's influence in the evaluation of the policy seems to be more delicate, both in 2008 and in 2013. The MT's involvement during policy evaluation is less obvious. While in 2008, 46 percent of the secretaries believed the MT to play a decisive role during this phase, this percentage increased to 54 percent in 2013. In addition, the number of secretaries that consider the MT's role in the policy evaluation as not important, decreases with almost 10 percent. Although perceptions concerning the MT's role in the policy evaluation seem to be evolving in a positive direction, a chi square analysis shows that the perceived differences between both measurements are not significant on the .1-level. A possible explanation for this finding may be the rather low response rate in 2013 compared to 2008.

Different reasons can explain the restraint vis-à-vis the administration's involvement in this phase of the policy cycle. When it comes to policy evaluation in the Flemish municipalities, any official responsibility is relatively new. A study on the role behaviour of municipal secretaries of Plees and Laurent (1998) confirms this: the involvement of secretaries in policy evaluation was not discussed at all when the authors published their findings in 1998. Besides, policy evaluation takes a pivotal position in the political-administrative relationships. In general, both the administration, politicians, public opinion and media are involved (Bressers, 2008). As a consequence, the interpretation can differ according to the different stakeholders' agendas (Howlett & Ramesh, 2003). Further, comparative research concludes that the policy influence of Flemish local top administrators is limited in comparison with their colleagues in other Western European countries (Van Gool, 2004). Another possible explanation is the restricted presence of a firm culture of policy evaluation in the Flemish municipalities: less than a third of the municipal secretaries and treasurers indicates the presence of an internal policy evaluation. For external policy evaluations, this percentage lowers to 15% (Bleyen & Bouckaert, 2014). Having this in mind, our findings concerning the MT's involvement in the policy evaluation are quite optimistic. This may be due to social desirability of the answers or to an extended interpretation of the concept of policy evaluation.

In order to assess to what extent the questions of this dependent variable measure a common dimension, both factor and reliability analyses are performed (Table 4). The analyses show that the different questions form a reliable scale, both in 2008 and 2013. As a consequence, these variables are combined into a scale which describes the MT's role in the policy cycle. A higher score implies a higher perceived role of the MT in the policy cycle.

**Table 4. Factor- and reliability analysis concerning the MT's role in the policy cycle**

	Preparation	Execution	Evaluation	EigenValue	Expl. Variance	Cronbachs Alpha
2008	0,886	0,806	0,863	2,179	72,63	0,811
2013	0,918	0,876	0,851	2,335	77,83	0,857

## 2. Municipal context variables

The variable **political (dis)continuity (MC1)** is be operationalized by using three categories, namely 'different coalition and mayor' (0); 'different coalition or different mayor' (1) and 'unchanged coalition and mayor' (2). For the 2008 data, results of the local elections of 2006 are used. The results of 2012 are used as starting point for the 2013 analysis.

As discussed above, previous research on the impact of the municipalities' **financial prospects (MC2)** on success of reforms is not univocal. As a consequence, the local financial situation is operationalized differently: the municipalities' debt ratio, which was used in the precedent study is replaced by a new ratio, the so called 'autofinancieringsmarge'. While the former gives an overview of the debt/income ratio of the municipality, the latter takes the financial basis into account as well. In particular, the capacity of municipalities to contract supplementary (loan) expenses for new investments during the next legislature are calculated. Important, this variable is based on estimates for the recently started legislature. This is not the case for the data concerning the legislature 2007-2012, which are based on the municipalities' annual accounts.

As for the variable **municipal population (MC3)**, official population statistics were used. Data concerning the **composition of the majority (MC4)** are based on a database of the Flemish Government.

## 3. Municipal organizational culture variables

### A. Political-administrative culture

In order to portray the local politico-administrative relations, Flemish municipal secretaries were asked to what extent the **management team model (OC1)** was introduced in their municipality. As such, respondents needed to indicate to what extent they agreed with the following propositions:

- *I enjoy the confidence of the members of the college of mayor and aldermen. They give me complete freedom for the organization and coordination of the municipal services;*
- *the members of the college of mayor and aldermen leave the preparation of decisions of the municipal council and the college to me and my services;*
- *the members of the college of mayor and aldermen only establish the policy outlines, the administration decides on the policy execution;*

- *the members of the college of mayor and aldermen give the personnel a maximal rein in the policy preparation and execution.*<sup>26</sup>

Factor and reliability analyses show that the four propositions measure a common dimension, both in 2008 and 2013.<sup>27</sup> A higher score means a more far-reaching implementation of the management team model.

The operationalization of the perceived importance of the **note of agreement (OC2)** is conducted by asking the secretaries to what extent they believe the note of agreement to play an important role in the cooperation between college and MT on a five-point Likert-scale ranging from 'totally disagree' to 'totally agree'.

### B. Result-oriented culture

The extent to which municipalities are likely to **the delegation of budgets (OC3)** from the college to the secretary and from the secretary to the personnel, was surveyed by three propositions which gauged to the extent in which secretaries wish that...

- *the college of mayor and aldermen delegate budgets for affairs of daily management to the municipal secretary;*
- *the municipal secretary delegates budgets for affairs of daily management and activity centers to other staff members;*
- *the college of mayor and aldermen delegates budgets of daily management, activity centers or projects to other staff members, also for matters which exceed daily management.*

Again, factor and reliability analyses show that these propositions measure a common dimension in 2008 and 2013.<sup>28</sup> A higher scale score implies a more open attitude towards the instrument.

Perceptions about the **multi annual plan (OC4)** are operationalized by the following propositions:

- *Working with a multi annual plan is too complicated for my municipality;*
- *A multi annual plan hinders a flexible policy;*
- *A multi annual plan is especially supported by the administration and less by politicians.*

Both in 2008 and 2013, these propositions constitute a reliable scale.<sup>29</sup> A higher score on the scale implies a more positive evaluation of the multi annual plan.

Result-oriented planning and budgeting practices are operationalized by means of the following variables. Given the recent nature of the innovation, this paper only focused on variables related to the first phase of the policy cycle. First, the **number of policy objectives (OC5a)** formulated in the multi-annual budgets are analyzed. Data are compiled by means of the Database Digital Reporting of the Flemish Government. Second, eight propositions measuring perceptions on **the development of result-oriented management (OC5b)** were put together in a scale. More specifically, the municipal secretaries were asked to what extent the following activities are developed in their municipality: (1) definition of a clear vision, (2) conducting an analysis of the environment preceding the preparation

<sup>26</sup> These propositions are based on Plees & De Leemans (1997).

<sup>27</sup> Data 2008 (EigenValue: 2,795; Explained Variance: 69,874; Cronbachs Alpha: 0,855); Data 2013 (EigenValue: 2,639; Explained Variance: 65,971; Cronbachs Alpha: 0,827).

<sup>28</sup> Data 2008 (EigenValue: 2,139; Explained Variance: 71,301; Cronbachs Alpha: 0,795). Data 2013 (EigenValue: 2,155; Explained Variance: 71,820; Cronbachs Alpha: 0,826).

<sup>29</sup> Data 2008 (EigenValue: 1,718; Explained Variance: 57,274; Cronbachs Alpha: 0,606). Data 2013 (EigenValue: 1,982; Explained Variance: 66,061; Cronbachs Alpha: 0,740).



of multi-annual budgets, (3) definition of the results and effects to be achieved, (4) formulation of policy objectives, (5) formulation of action plans and actions, (6) allocation of revenues and expenses, (7) the definition of performance measures and (8) the development of a monitoring system.<sup>30</sup> Factor and reliability analyses prove the different variables to make up a reliable scale.<sup>31</sup>

Furthermore, attitude towards the **introduction of an MT (OC6a) and the PMC-reform (OC6b)** is included in the analysis. If municipalities have introduced an MT and/or the PMC-reform before legal obligation, they are considered to be motivated to a larger extent to implement such reforms. Finally, the **MT's involvement in the development of the multi-annual budget (OC7)** is added to the model. For the operationalization of this variable, respondents were asked to assess the MT's role in this process.

#### 4. Individual characteristics of the municipal secretaries

As the MT's chairman, the secretary may have an influence on the strength and functioning of the body. As a consequence, some of the secretaries' personal characteristics are included in the analyses. **Experience (ICS1)** of the secretaries is a first variable. Specifically, the respondents are asked the number of years they performed their job.

Furthermore, the secretaries' **involvement in the realization of the strategic multi-annual budget (ICS2)** is considered in the regression analysis. By means of a five-point Likert-scale, they were asked to what extent they are involved in the development of the multi-annual budget. This proposition will only be included for the 2013 dataset.

#### DETERMINANTS OF THE MT'S POSITION IN THE POLICY CYCLE

The validity of the discussed hypotheses will be tested by means of a linear regression model in which we include successively the individual characteristics, the municipal variables and the variables concerning the organization culture. In order to guarantee comparability of the data, the variables are identical for both measurements. An exception is made for the variable that outlines the secretaries' involvement in the realization of the multi-annual plan. Since this variable is only available for 2013, it will be included in a supplementary step of the analysis. In order to map out the PMC's influence on the MT's strength, some PMC variables are included for the data of 2013 in a third step. The results are presented in the following table.

<sup>30</sup> Art. 6 & PMC Order; Art. 9 Min. Order PMC; Report to the Flemish Government added by the PMC-Order, 10/0705/0382, 21-67.

<sup>31</sup> EigenValue: 5,372; Explained Variance: 67,15; Cronbachs Alpha: 0,929.

**Table 5: Linear regression analysis of the MT's influence in the policy cycle – 2008 & 2013**

	2008		2013					
			Step 1		Step 2		Step 3	
	Std. Coeff.	Std. Error	Std. Coeff.	Std. Error	Std. Coeff.	Std. Error	Std. Coeff.	Std. Error
(Constant)		1,373		1,118		1,418		1,724
Individual characteristics								
Experience	-0,045	0,022	-0,197**	0,025	-0,194**	0,025	-0,297***	0,024
Municipal context								
Continuity	-0,134*	0,280	-0,144	0,358	-0,105	0,360	-0,065	0,337
Financial profile (ref.: AFM ≤ 1)	-0,067	0,686	-0,161*	0,533	-0,148	0,528	-0,118	0,502
Population size	0,126	0,000	-0,005	0,000	-0,013	0,000	-0,103	0,000
Majority's composition (ref.: coalition)	0,020	0,453	0,060	0,607	0,045	0,601	0,043	0,565
Political-administrative culture								
Management team model	0,372***	0,061	0,260**	0,075	0,233**	0,075	0,236***	0,073
Importance note of agreement	0,264***	0,187	0,182*	0,245	0,181*	0,242	0,179*	0,227
Result-oriented culture								
Delegation of budgets	-0,031	0,070	0,137	0,067	0,112	0,067	0,109	0,063
Perception MAP	0,165**	0,088	0,220**	0,063	0,172*	0,065	0,079	0,063
Introduction MT (ref: after 2007)	0,076	0,424	-0,010	0,468	0,016	0,467	-0,076	0,456
Involvement secretary in MAP					0,176*	0,283	-0,150	0,353
Implementation PMC							0,049	0,286
Number of policy objectives							0,176*	0,020
Development PMC							0,126	0,040
Involvement MT in MAP							0,449***	0,312
Adjusted R Square								
	0,275		0,260		0,278		0,392	

\*p<.1; \*\*p<.05; \*\*\*p<.01

Our analyses show a significant influence of the politico-administrative culture on the MT's strength in the Flemish municipalities. Both in 2008 and 2013, the MT's role is estimated more important in those municipalities where the organization is streamlined according to the management team model. Besides, a positive correlation is found between the MT's position and the perceived importance of the note of agreement: as secretaries consider this note to be more important for the politico-administrative cooperation, they attribute higher influence to the MT.

The impact of the municipal secretary's experience is only found in 2013: more experienced secretaries circumscribe the MT as less powerful. Furthermore, the secretary's involvement in the development of the multi-annual budget is significantly correlated with the MT's influence in 2013: the perceived power of the MT increases with the secretary's involvement.

Neither in 2008 nor in 2013, the municipal characteristics strongly influence the MT's perceived role. In 2008 the political stability was the only municipal characteristic with a significant influence: in those municipalities where the local elections of 2006 led to shifts in the composition of the coalitions and/or the mayor, the MT's role was considered more important. This correlation doesn't persist in 2013. Nevertheless, at the most recent measurement, there is a significant impact of the municipality's financial profile. As the financial situation is more rose-colored, the MT plays a more important role according to the respondents. However, this correlation disappears as soon as the secretary's involvement in the development of the multi-annual plan is included in the analysis.

The extent of result orientation influences the MT's power. Both measurements demonstrate a positive correlation between the perceptions about the multi annual plan and the MT's influence. For the 2013 dataset, this relationship disappears after the introduction of the variables concerning the PMC Order. With regard to these latter variables, we find a positive correlation with the number of formulated policy objectives. In line with the formulated hypothesis, MT's play a more important role according to the respondents when more policy objectives are formulated in the multi-annual plan rises.

As MT's are more involved in the realization of the multi-annual plan, the organ's impact on the policy cycle increases in the eyes of the secretaries. Moreover, the adjusted chi square increases to 39% after the introduction of variables concerning the PMC Order. The adjusted chi square of the common variables fluctuates around 27%, both in 2008 and 2013.

## CONCLUSION AND DISCUSSION

This contribution investigated the interference between two NPM inspired reforms that were introduced in the Flemish municipalities: the introduction of management teams and the modernization of result-oriented financial management and strategic management. More specifically, the influence of the reforms of the PMC Order on the MT's perceived power was investigated. In order to answer the research question, two surveys - executed by the secretaries in 2008 and 2013 - served as a starting point. For both measurements the impact of the municipality's secretary's profile, the municipal context and the organization culture were evaluated. The influence of PMC reforms on the MT's strength is tested for 2013 by adding some specific PMC Order related variables.

First of all, the municipal organization culture strongly influences the MT's power: as the municipality's functioning is highly streamlined to the management team model, MT's are able to wield more influence on the municipal policy. Furthermore, the perceived influence of the note of

agreements is correlated positively with the political-administrative cooperation and the MT's role. Besides, the perceptions with respect to the multi annual plan exert a significant influence: respondents who evaluate the plans more positively, ascribe a more important role to the MT's in the policy cycle. These conclusions apply both for 2008 and 2013.

On the contrary, the influence of the secretary's profile is only significant in 2013. Both the hypotheses on the experience and the involvement in the realization of the multi-annual plan, are confirmed. Due to methodological limitations, the number of analyzed individual characteristics remains limited. In further research, this lacuna may be filled by including more personal characteristics in the model.

Next, the analyses point to a limited contribution of contextual characteristics. While in 2008 only the political stability was correlated with the perceived influence of MT's, for 2013 there's a connection with the municipality's financial situation. This positive correlation contradicts with previous, comparable research of Hennau et al (2013), but is in line with other studies concerning institutional reforms. Possibly the nature of the financial ratio that has been tested, is of importance. However, this ratio only influences the MT's power in 2013. This could be a consequence of the different calculation of the ratio in 2008 and 2013: while the variable for the present legislature was based on the annual accounts' estimates, the actual numbers were the starting point of the 2008 calculations. Besides, the Flemish municipalities' changing financial situation, which was sketched out by Leroy (2013), may have had an influence. Future research may take a closer and more in depth look to this variable.

Since the MT's role is not influenced by the municipalities' population size, this contribution nuances the importance of scale for the success of this kind of institutional reforms. Different studies confirm this finding. Ackaert (1996) for example states that the ideal scale for the maximisation of administration power does not exist. The so called *Bestuurskrachtmeter* for rural villages confirms this conclusion by demonstrating that rural villages - which traditionally count less inhabitants - not necessarily are inefficient or ineffective (De Peuter et al., 2012). Besides, the swings in the local political landscape after the local elections of 2012 do not seem to have an impact on the MT's functioning. The analyses suggest a positive influence of PMC related variables on the MT's role in the policy cycle. As expected we found a positive correlation with the quantitative development of PMC and the MT's involvement in the realization of the multi annual plans. Moreover the explanatory power of the model increases sharply after the introduction of the PMC related variables. However, neither the development of PMC nor the year of implementing the PMC Order seem to have an impact on the MT's role.

A final remark concerns the variables used for the operationalization of the prevailing organization culture. They are almost exclusively based on perceptions of the secretaries. As a consequence, a careful interpretation is of great importance. First, social desirability and the rationalization of one's own behavior may have influenced the answering behavior of the respondents. Second, the opinions of other important actors can differ significantly. For future research, it is recommendable to introduce characteristics which depend less on the municipal secretaries' perceptions. Moreover, data of other MT members, heads of department, top administrators or politicians can be an interesting supplement to the collected data material and can put the MT's meaning, quality and role in a different light.

## REFERENCES

- Ackaert, J. (1996). *De samenvoeging van gemeenten in het Vlaams Gewest. Evaluatieve en probleemstellende nota t.b.v de Commissie Bestuurlijke Organisatie* [The Merger of Municipalities in the Flemish Region. Evaluative and Problem Formulating Note for the Purpose of the Commission Governmental Organization]. Diepenbeek: Limburg University Centre.
- Ackaert, J. (2006). *De burgemeestersfunctie in België. Analyse van haar legitimering en van de bestaande rolpatronen en conflicten* [The Function of Mayor in Belgium. Analysis of Legitimation and of Role Pattern and Conflicts], Unpublished doctoral thesis, KU Leuven, Leuven.
- Bäck, H. (2006). Does Recruitment Matter? Selecting Path and Role Definition. In H. Bäck, H. Hainelt & A. Magnier (Eds.), *The European Mayor: Political Leaders in the Changing Context of Local Democracy* (pp. 123-150) Wiesbaden: VS Verlag Für Sozialwissenschaften.
- Beirens, D. (2011). 11. Projectieve fase [Projective phase]. In D. Beirens, S. Lombaert, M. Maebe & S. Moyersons (Eds.), *Handboek beleids- en beheerscyclus. De integrale gids voor lokale besturen* [Handbook on the Policy and Management Cycle. Integral Local Government Guide] (pp. 103-140). Brugge: Vanden Broele.
- Berman, E., & Wang, X. (2000). Performance Measurement in U.S. Counties: Capacity of Reform. *Public Administration Review*, 60(5), 409-420.
- Bleyen, P., & Bouckaert, G. (2014). *Prestatiegericht begroten en boekhouden in de Vlaamse gemeenten en OCMW's. Stand van zaken op basis van een survey* [Performance Budgeting and Accounting in the Flemish Municipalities and PCSW's. State of Affairs Based on a Survey], Leuven: Policy Research Centre on Governmental Organization – Decisive Governance.
- Bressers, J. (2008). Evaluatie van het beleid [Policy Evaluation]. In A. Hoogerwerf & M. Herweijer (Eds.), *Overheidsbeleid. Een inleiding in de beleidswetenschap* [Government Policy. An Introduction in Policy Research] (pp. 155-178). Alphen a/d Rijn: Kluwer.
- Caulfield, J., & Larsen, H.O. (2002). Introduction. In J. Caulfield & Larsen, H.O. (Ed.), *Local Government at the Millennium* (9-23). Opladen: Leske (Budrich).
- Conings, V. (2011). Strategisch management [Strategic Management]. In G. Bouckaert, A. Hondeghe, J. Voets, S. Op de Beeck & E. Cautart (Eds.) *Handboek Overheidsmanagement* [Handbook on Public Management: Evolving Governments] (pp. 73-102). Brugge: Vanden Broele.
- Currstine, T. (2005). Performance Information in the Budget Process: Results of the OECD 2005 Questionnaire. *OECD Journal on Budgeting*, 5(2), 87-131.
- De Peuter, B., Voets, J., Janssens, L., & Van Dooren, W. (2012). *Bestuurskrachtmetering plattelandsgemeenten. Eindrapport* [Measurement of Administrative Capacity in Rural Communities. Final Report]. Leuven: Policy Research Centre on Governmental Organization – Decisive Governance.
- De Rynck, F., Olislagers, E., & Ackaert, J. (2009). Bestuurskracht binnenshuis. Doorwerking van het gemeentedecreet op bestuurskracht van Vlaamse gemeenten [Administrative Capacity Indoors. Carry-over of the Municipal Decree on the Administrative Capacity of Flemish Municipalities]. *Res Publica*, 51(3), 321-349.
- De Rynck, F., & Wayenberg E. (2013). De lokale besturen [Local Governments]. In A. Hondeghe, W. Van Dooren, F. De Rynck, B. Verschuere & S. Op De Beeck (Eds.), *Handboek bestuurskunde. Organisatie en werking van het openbaar bestuur* [Handbook on Public Administration. Organization and Functioning of Governments] (pp. 191-230). Brugge: Vanden Broele.
- Deal, T.T., & Kennedy, A.A. (1982). *Corporate Cultures. The Rites and Rituals of Organizational Life*. Massachusetts: Addison-Wesley.
- Demuzere, S., & Molenveld, A. (2012). Organisatiecultuur [Organizational Culture]. In G. Bouckaert, A. Hondeghe, J. Voets, S. Op de Beeck, E. Cautart (eds.), *Handboek Overheidsmanagement. Overheid in beweging* [Handbook on Public Management. Evolving governments] (pp. 135-166). Brugge: Vanden Broele.
- Dessoy, A. (2007). *Lokale financiën. Sociaaleconomische typologie van de gemeenten* [Local Finance. A Socio-Economic Typology of Municipalities]. Brussels: Belfius Bank and Insurances.
- Diamond, J. (2013). Policy Formulation and the Budget Process. In R. Allen, R. Hemming & B.H. Potter (Eds.) *The International Handbook of Public Financial Management* (pp. 193-218). New York: Palgrave Macmillan.
- Goodin, R.E. (1996). Institutions and Their Design. In R. E. Goodin (Ed.), *The Theory of Institutional Design* (pp. 1-53). Cambridge: Cambridge University Press.



- Gorges, M.J. (2001). New Institutionalism Explanations for Institutional Change: A Note of Caution. *Politics*, 21(2), 137-145.
- Hall, P.A., & Taylor, R.C.R. (1996). Political Science and the Three New Institutionalisms. *Political Studies*, 44(5), 936-957.
- Hennau, S., Ackaert, J., & Olislagers, E. (2013). "It's the Culture, Stupid!" Determinanten van de positie van managementteams in de lokale beleidscyclus [*It's the Culture, Stupid! Decisive Factors in the Position of Management Teams in the Local Policy Cycle*]. *Vlaams Tijdschrift voor Overheidsmanagement*, 6(4), 31-47.
- Hood, C. (1991). A Public Management for all Seasons?. *Public Administration*, 69(1), 3-19.
- Hood, C. (1995). The New Public Management in the 1980s: Variations on a Theme. *Accounting, Organizations and Society*, 20(2/3), 93-109.
- Howlett, M., & Ramesh, M. (2003). *Studying Public Policy. Policy Cycles and Policy Subsystems*. Ontario: Oxford University Press.
- Jones, G., & Stewart, J. (2012). Local Government: the Past, the Present and the Future. *Public Policy and Administration*, 27(4), 346-367.
- Kuhlmann, S., & Wollmann, H. (2011). The Evaluation of Institutional Reforms at Sub-national Government Levels: A Still Neglected Research Agenda. *Local Government Studies*, 37(5), 479-494.
- Leach, S., & Lowndes, V. (2007). Of Roles and Rules: Analysing the Changing Relationship between Political Leaders and Chief Executives in Local Government. *Public Policy and Administration*, 22(2), 183-200.
- Lencioni, P. (2005). *Overcoming the Five Dysfunctions of a Team: A Field Guide for Leaders, Managers and Facilitator*. San Fransico: Jossey-Bass Inc.
- Leroy, J. (2013). Burger zal besparingen voelen [*Citizens will take the Consequences of Cut-backs*]. *Lokaal*, 12, 10-12.
- Liegl, B. (2001). New Public Management from a Theoretical and Austrian Perspective. In B.G. Peters & J. Pierre (Eds.), *Politicians, Bureaucrats and Administrative Reform* (pp. 73-82). London: Routledge.
- Lounsbury, M. (2008). Institutional Rationality and Practice Variation: New Directions in the Institutional Analysis of Practice. *Accounting, Organizations & Society*, 33(4), 349-361.
- Lowndes, V. (2010). The Institutional Approach. In D. Marsh & G. Stoker (Eds.), *Theory and Methods in Political Science* (pp. 60-79). New York: Palgrave Macmillan.
- Lowndes, V., & Roberts, M. (2013). *Why Institutions Matter. The New Institutionalism in Political Science*. New York: Palgrave Macmillan.
- March, J.G., & Olsen, J.P. (1984). The New Institutionalism: Organizational Factors in Political Life. *The American Political Science Review*, 78(3), 734-749.
- McIntyre, M.G. (1998). *The Management Team Handbook. Five Key Strategies for Maximizing Group Performance*. San Fransisco: Jossey-Bass Inc.
- Meyer, J.W., John, W., & Rowan, B. (1977). Institutionalized Organizations: Formal Structure as Myth and Ceremony. *American Journal of Sociology*, 83(2), 340-363.
- Moyersons, S. Lombaert, M., & Maebe, M. (2012). Van oud naar nieuw [From Old to New]. In D. Beirens, S. Lombaert, M. Maebe & S. Moyersons (Eds.), *Handboek beleids- en beheerscyclus. De integrale gids voor lokale besturen [Handbook on the Policy and Management Cycle. An Integral Guide for Local Governments]* (pp. 567-594). Brugge: Vanden Broele.
- Olislagers, E., Ackaert, J., De Rynck, F., Steyvers, K., & Wayenberg E. (2009). *Percepties van burgemeesters, schepenen, raadsleden, secretarissen en ontvangers over het gemeentedecreet vergeleken [Comparison of the Perceptions of Mayors, Aldermen, Council Members, Secretaries and Treasurers on the Municipal Decree]*, Hasselt: Policy Research Centre on Governmental Organization.
- Olson, D., Guthrie, J., & Humphrey, C. (1998). *Global Warning: Debating International Developments in New Public Financial Management*. Bergen: Cappelan Akademisk Forlag.
- Pierson, P. (2000). The Limits of Design: Explaining Institutional Origins and Change. *Governance: An International Journal of Policy and Administration*, 13(4), 475-499.
- Plees, Y., & De Leemans, K. (1997). Gemeentelijke organisatiemodellen en modelsecretarissen? [*Municipal Organization Models and Exemplary Secretaries?*]. *Vlaams Tijdschrift voor Overheidsmanagement*, 2, 4-14.
- Plees, Y., & Laurent, T. (1998). The Belgian Municipal Secretary: A Manager for the Municipalities?. In K. Klausen & A. Magnier (Eds.). *The Anonymous Leader: Appointed CEO's in Western Local Government*. (pp. 173-187). Odense: Odense University Press.



- Poister, T.H., & Streib, G. (1999). Strategic Management in the Public Sector: Concepts, Models and Processes. *Public Productivity and Management Review*, 22(3), 308-325.
- Pollit, C., & Bouckaert, G. (2011). *Public Management Reform. A Comparative Analysis of New Public Management, Governance and the Neo-Weberian State*. New York: Oxford University Press Inc.
- Powell, W.W., & DiMaggio, P. (1991). *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago.
- Premfors, R. (2004). The Contingency of Democratization: Scandinavia in Comparative Perspective. *Paper to the Conference in Honour of Robert Dahl, Contingency in the Study of Politics*, 3-4 December 2004, Yale University.
- Rothwell, R. (1994). Towards the Fifth-generation Innovation Process. *International Marketing Review*, 11(1), 7-31.
- Sanders, E. (2008). Historical Institutionalism. In R.A.W. Rhodes, S.A. Binder & B.A. Rockman (Eds.), *The Oxford Handbook of Political Institutions*. (pp. 39-55). Oxford: Oxford University Press.
- Shields, M.D. (1995). An Empirical Analysis of Firms' Implementation Experiences with Activity-Based Costing. *Journal of Management Accounting Research*, 7, 148-166.
- Shields, M.D., & Young, S.M. (1989). A Behavioral Model for Implementing Cost Management Systems. *Journal of Cost Management (Winter)*, 17-27.
- Selznick, P. (1996). Institutionalism 'Old and 'New'. *Administrative Science Quarterly*, 41(2), 270-277.
- Steen, T., & Wille, A. (2005). Strengthening Local Government in the Netherlands and Flanders: Similar Problems, Different Solutions?. In H. Reynaert, K. Steyvers, P. Delwit & J-B. Pilet (Eds.), *Revolution or Renovation? Reforming Local Politics in Europe*. (pp. 445-470). Brugge: Vanden Broele.
- Steyvers, K., Pilet, J-B., Reynaert, H., & Delwit, P. (2005). Introduction. Local Government in Transformation: Momentum for Revolution of Incremental Renovation?. In H. Reynaert, K. Steyvers, P. Delwit & J-B Pilet (Eds.) *Revolution or Renovation? Reforming Local Politics in Europe* (pp. 11-28). Brugge: Vanden Broele.
- Steyvers, K., Reynaert, H., & Block, T. (2010). Team Work or Territorial War?. *Public Management Review*, 12 (1), 11-31.
- Vallet, N., & De Rynck, F. (2006). De lokale leiderschapstandem: een verkennend onderzoek naar de aard en hoedanigheid van het politiek en ambtelijk leiderschap in Vlaanderen [*A tandem in local leadership: an explorative research on the nature and quality of political and administrative leadership in Flanders*]. *Res Publica*, 3(4), 446-471.
- Van Gool, B. (2004). Geen 'Beambtenherrschaft' in de steden? De beleidsinvloed van de Vlaamse lokale topambtenarij in West-Europees vergelijkend perspectief [*No 'Beambtenherrschaft' in municipalities? The influence of policy of the Flemish key officials in West-European comparative perspective*]. In G. Bouckaert, A. Hondeghem, R. Janvier, F. De Rynck & P. Bursens (Eds.), *Vlaanderen en/in Europa. Omgaan met de Unie en vergelijkend leren [Flanders and / in Europe. Dealing with the Union and comparative learning]* (pp. 129-160). Brussel: Policy Research Centre on Governmental Organization.
- Vetter, A., & Kersting, N. (2003). Democracy Versus Efficiency? Comparing Local Government Reforms Across Europe. In N. Kersting & A. Vetter (Eds.), *Reforming Local Government in Europe. Closing the Gap between Democracy and Efficiency* (pp. 11-28). Opladen: Leske (Budrich).
- Weets, K. (2012). *Van decreet tot praktijk? Een onderzoek naar de invoering van elementen van prestatiebegroting in Vlaamse gemeenten [From Decree Till Practice? – Research Concerning the Introduction of Elements of Performance Budgeting in Flemish Municipalities]*. Unpublished doctoral thesis, KU Leuven, Leuven.